OIL, GAS & MINING



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 4, 2015

Brett Nielsen Whitaker Construction PO Box 430 Brigham City, Utah 84302

Subject:

Reclamation Surety Required, Whitaker Construction, Salt Creek Quarry, S/003/0088, Box

Elder County, Utah

Dear Mr. Nielsen:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on August 12, 2015, is complete with the exception of the reclamation bonding requirement. The required reclamation surety is \$60,500 for a three-year period or \$61,700 for a five-year period. This was determined based on information in the following table.

3-year	escalation	(2018)	
<u>Item</u>	Qty	Unit Cost	Total Cost
6th Acre Disturbance	1	\$37,300.00	\$37,300.00
Add'l Acres Disturbance	4	\$5,800.00	\$23,200.00
TOTAL	10		\$60,500.00
5-year	escalation	(2020)	
<u>Item</u>	Qty	Unit Cost	Total Cost
6th Acre Disturbance	1	\$38,100.00	\$38,100.00
Add'l Acres Disturbance	4	\$5,900.00	\$23,600.00
TOTAL	10		\$61,700.00

Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

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Please contact Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number S/003/0088.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: lk: eb